



# WASHOE COUNTY

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CM/ACM KS  
Finance DN  
DA \_\_\_\_\_  
Risk Mgt. DE  
HR N/A  
Other N/A

## STAFF REPORT

BOARD MEETING DATE: January 13, 2015

**DATE:** December 19, 2014  
**TO:** Board of County Commissioners  
**FROM:** Alan Jones, P.E., Sr. Licensed Engineer, Engineering and Capital Projects  
Community Services Department, 954-4651, [ajones@washoecounty.us](mailto:ajones@washoecounty.us)  
**THROUGH:** Dwayne Smith, P.E., Division Director, Engineering and Capital Projects,  
Community Services Department, 328-2043, [desmith@washoecounty.us](mailto:desmith@washoecounty.us)  
**SUBJECT:** Recommendation to approve an Agreement for Consulting Engineering  
Services between Washoe County and CH2M Hill Engineers, Inc. to  
provide construction management for the South Truckee Meadows Water  
Reclamation Facility Bio-Solids Facility Project [\$1,156,000].  
(Commission District 2.)

### SUMMARY

The Community Services Department (CSD) is requesting approval of a professional services agreement with CH2MHill Engineers, Inc. (CH2MHill) to provide construction management services for the South Truckee Meadows Water Reclamation Facility (STMWRF) Bio-Solids Facility Project.

In 2013, staff conducted a qualifications-based selection process for an engineering consultant team for the planning, engineering design, and construction management services for the STMWRF Biosolids Management Project. CH2M Hill, a consultant with extensive wastewater treatment facility engineering expertise was selected. In 2014, CH2MHill completed the design and on December 9, 2014, the Board of County Commissioners (Board) awarded the construction contract to K.G Walters Construction Inc. in the amount of \$12.8 million.

The professional service contract being considered at this time supports the construction management and engineering services for the Bio-Solids project, which is planned to begin construction by February 2015 with a construction period of 21 months.

Washoe County Strategic Objective supported by this item: Safe, secure and healthy communities.

### PREVIOUS ACTION

On December 9, 2014, the Board approved the Construction Agreement with KG Walters Construction Company, the lowest responsive bidder, for the South Truckee Meadows

AGENDA ITEM # 13

Water Reclamation Facility Biosolids Facilities Project, Inc for the amount of \$12,830,000.

On July 22, 2014, the Board approved execution of Amendment 1 to the Agreement for Consulting Engineering Services between CH2M Hill and Washoe County, dated September 2013, to provide engineering design services for the South Truckee Meadows Water Reclamation Facility Solids Management Project, in the amount of \$178,000.

On October 8, 2013, the Board approved execution of an Agreement for Consulting Engineering Services between CH2M Hill and Washoe County, dated September 2013, to provide engineering design services for the South Truckee Meadows Water Reclamation Facility Solids Management Project, in the amount of \$911,500.

On November 8, 2011, the Board approved execution of an Agreement for Consulting Engineering Services between CH2M Hill and Washoe County, dated October 2011, to provide preliminary engineering services for the South Truckee Meadows Water Reclamation Facility 2012 Rehabilitation and Enhancement Project, including Task 3 - Solids Processing Preliminary Engineering, in the amount of \$37,000.

On July 11, 2011, the Washoe County Purchasing and Contracts Manager approved an agreement for Consulting Engineering Services between Kennedy Jenks Consultants and Washoe County to provide concept-level planning services for waste solids treatment and disposal strategies for South Truckee Meadows Water Reclamation in the amount of \$49,000.

On August 20, 2002, the Board adopted the South Truckee Meadows Water and Wastewater Facility Plan.

## **BACKGROUND**

Washoe County owns and operates the South Truckee Meadows Water Reclamation Facility (STMWRF), which provides sewer treatment to approximately 13,000 homes and businesses within southern Washoe County, including portions of the City of Reno. The facility was commissioned in 1990 and expanded in 2003. STMWRF is presently configured to treat up to 4.1 million gallons of sewage per day (mgd).

A product of the biological treatment process utilized at STMWRF is waste activated sludge – commonly referred to as waste solids, solids, or sludge. Since 1999, waste solids have been conveyed to the Truckee Meadows Water Reclamation Facility (TMWRF) for final treatment and disposal. Over the past several years, concept and preliminary engineering studies have concluded that developing on-site sludge treatment facilities at STMWRF is in the region's best interest, based upon:

- Increasing costs associated with treatment processes at TMWRF, which now approach \$800,000 per year, has made onsite waste solids treatment at STMWRF a feasible economic alternative.
- Regional water managers have identified non-economic benefits of completely discontinuing the practice of treating STMWRF waste solids at TMWRF. Most important to the region is reducing the total amount of nitrogen treated at TMWRF and discharged to the Truckee River.

The new facilities that will be constructed include an aerobic sludge digester and new building which will house the mechanical, chemical, electrical, and process control equipment. These facilities will be built to treat all the sludge presently generated at STMWRF, plus additional capacity to accommodate a 20-year growth forecast. The current practice of conveying sludge to TMWRF will be discontinued when the new facilities are operational, which is expected in 2016 following approximately 21 months of construction and start-up activities.

The proposed construction management services will include on-site inspection during the construction and office engineering services. The services include preparation of conformed drawing for use during construction; review of design and equipment submittals and change order requests, structural observation during construction, electrical and mechanical systems inspection, potential claim management, and general civil construction inspection services. The following is the fee estimate summary:

<b>Task</b>	<b>Description</b>	<b>Estimated Fee</b>
1	Project Management	\$105,000
2	Construction Management	\$560,000
3	Engineering Services During Construction	\$381,000
4	SCADA System Modifications and Startup Support	\$85,000
5	Additional Engineering Services	\$25,000
	<b>Total</b>	<b>\$1,156,000</b>

**FISCAL IMPACT**

This project was anticipated and budgeted in the County’s five-year Capital Improvements Program which was approved by the Board during the budget process. Budget authority for costs associated with modifying current solids waste handling processes for current customers (\$767,584) exists in project number WR495112, account number 781080 (66.4%). Such costs will be paid for with sewer rate revenues. Budget authority for costs in support of future growth (\$388,416) exists in project number WR860105, account number 781080 (33.6%). Such costs will be paid for with connection fee revenues.

Sewer rate revenue and developer connection fee cash currently exist and have been earmarked in the CIP for the purpose of funding the solids management facility project. Remaining sewer operating and connection fee cash balances subsequent to completing the solids management facility project will be sufficient for future operating and known development-related infrastructure needs.

**RECOMMENDATION**

It is recommended that the Board of County Commissioners approve an Agreement for Consulting Engineering Services between Washoe County and CH2M Hill Engineers, Inc., to provide construction management for the South Truckee Meadows Water Reclamation Facility Bio-Solids Facility Project [\$1,156,000].

**POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion would be "Move to approve an Agreement for Consulting Engineering Services between Washoe County and CH2M Hill Engineers, Inc., to provide construction management for the South Truckee Meadows Water Reclamation Facility Bio-Solids Facility Project [\$1,156,000]."

## AGREEMENT FOR CONSULTING ENGINEERING SERVICES

THIS AGREEMENT is entered into between Washoe County, a political subdivision of the State of Nevada ("County") and **CH2M HILL Engineers, Inc.** ("Consultant"), collectively (the "Parties").

### WITNESSETH:

WHEREAS, County desires to engage Consultant to render certain engineering services in Support of the **"South Truckee Meadows Water Reclamation Facility Biosolids Project Services During Construction"** (the "Project"); and

WHEREAS, County requires certain professional services in connection with the Project, as described in Exhibit "A", Scope of Work (the "Services"); and,

WHEREAS, Consultant represents that it is duly qualified, ready, willing and able to provide the Services by virtue of its education, training and experience;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

#### ARTICLE 1 - EFFECTIVE DATE

The effective date of this Agreement shall be \_\_\_\_\_, 20\_\_\_\_\_.

CONSULTANT shall begin performance of services as provided herein upon notice to proceed and shall complete all **Services identified in Exhibit A, Scope of Work** in accordance with the Standard of Care as set forth in Article 5 herein no later than \_\_\_\_\_, 20\_\_\_\_\_ unless this Agreement is terminated sooner in accordance with its terms.

#### ARTICLE 2 - SERVICES TO BE PERFORMED BY CONSULTANT

CONSULTANT agrees to perform and complete all **Services identified in Exhibit A, Scope of Work** under this Agreement, and any amendment thereto in accordance with the Standard of Care as set forth in Article 5 herein. CONSULTANT shall be responsible for the quality, technical accuracy, completeness and coordination of all reports, information, specifications and other items and services furnished under this Agreement and any amendments hereto. COUNTY reserves the right to inspect, comment on, and request revision of, all Services identified in Exhibit A and any amendments thereto performed by CONSULTANT prior to acceptance, and CONSULTANT warrants that such Services shall be fit and sufficient for the purposes expressed in, or reasonably inferred from, this Agreement and any amendments hereto.

Failure to provide major deliverables, including, but not limited to, Services identified in Exhibit A, Scope of Work, shall constitute a material breach of this Agreement, unless waived in writing by the COUNTY.

### ARTICLE 3 - COMPENSATION

#### 3.1 Compensation for Services

For Services defined in Section 1 above, CONSULTANT'S compensation shall be determined on a time and material basis, in accordance with the fee schedule described in Exhibit "B", which is attached hereto and incorporated by reference as part of the Agreement. CONSULTANT shall satisfy its obligations to meet the service specifications and performance standards described in Article 5, without additional cost or expense to COUNTY during the term of this Agreement other than the fees described in Exhibit "B", from time to time amended. Compensation for continuing the CONSULTANT'S services shall not exceed One Million, One Hundred Fifty Six Thousand Dollars (\$1,156,000) for the Services. Exhibit "B" Fee Schedule will be utilized for a minimum period of one (1) year after the effective date of this Agreement. The Fee Schedule may be renegotiated at the end of one (1) year upon request by either the COUNTY or the CONSULTANT. Renegotiated fees are subject to approval by County's Board of County Commissioners. The actual costs charged for the work by CONSULTANT in accordance with this provision shall be full compensation to CONSULTANT for all Services and duties required by the Scope of Work, including, but not limited to: costs of supplies, facilities and equipment; costs of labor and services of employees, consultants and sub-consultants engaged by CONSULTANT; travel expenses, telephone charges, typing, duplicating, costs of insurance, and all items of general overhead. CONSULTANT shall submit billings on a monthly basis.

#### 3.2 Compensation for Additional Services

If County requests Consultant to perform additional services, other than those required to be performed under **Services identified in Exhibit A, Scope of Work**, the cost of such additional services shall be determined prior to commencing additional work. All additional services and amount of payment must be authorized in writing by County prior to commencing any work for such services.

#### 3.3 Methods and Times of Payment

Consultant shall submit to County monthly progress invoices indicating the number of hours each employee provided services and other allowed direct expenses. Payment to Consultant for work on the Project shall be made within forty-five (45) days after receipt of Consultant's invoice. Payment by County of invoices or requests for payment shall not constitute acceptance by County of work performed on the Project by Consultant.

### ARTICLE 4 - TIME SCHEDULE FOR COMPLETION

The Services identified in Exhibit A, Scope of Work on the Project shall be diligently performed and be completed no later than \_\_\_\_\_, 20\_\_\_\_. Consultant shall be granted time extensions for items within the phases of the Project in writing by County if the time schedules cannot be met because of delays beyond Consultant's reasonable control, including, but not limited to, County's failure to furnish information, or to approve or disapprove Consultant's work promptly. Consultant will provide to

County a monthly report including a schedule identifying progress or work completed, problems or difficulties being encountered, work to be initiated during the following month and other useful information. This report will be submitted on the first day of each month and will be in a format suitable for submittal to other interested agencies. Consultant's failure to submit promptly the monthly progress report may cause delay in payment from the County.

#### ARTICLE 5 - STANDARD OF CARE

Consultant shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily provided by a professional engineer under similar circumstances and Consultant shall, at no cost to County, re-perform services which fail to satisfy the foregoing standard of care provided that Consultant is notified in writing by County of the deficiency within six (6) months of performance of the deficient Services. Such re-performed Services may include, but not be limited to, correcting errors and omissions, or any other deficiencies in designs, drawings, specifications and reports. County reserves the right to inspect, comment on, and request revision of, all Services performed by Consultant prior to acceptance, and Consultant warrants that Services shall be fit and sufficient for the purposes expressed in and intended by this Agreement and any amendments thereto. Failure to provide Services or re-performed Services in accordance with the foregoing standard of care shall constitute a material breach of this Agreement unless waived by the County. Review and approvals by County do not relieve Consultant of its responsibilities under this Article. Except as is otherwise provided for in this Article, the re-performance of Services is the Consultant's entire responsibility and the County's exclusive remedy for Services rendered or to be rendered hereunder, and no additional warranties, guarantees or obligations are to be implied.

#### ARTICLE 6 - LIMITATIONS OF RESPONSIBILITY

Consultant shall not be responsible for construction means, methods, techniques, sequences, procedures, or safety precautions and programs in connection with the Project. In addition, Consultant shall not be responsible for the failure of any Consultant, subcontractor, vendor, or other project participant to fulfill contractual or other responsibilities to County or to comply with federal, state, or local laws, ordinances, regulations, rules, codes, orders, criteria, or standards. Consultant shall notify County of any apparent unsafe conditions, methods or procedures that the Consultant may observe at the construction site.

#### ARTICLE 7 - OPINIONS OF COST AND SCHEDULE

Since Consultant has no control over the cost of labor, materials, equipment or services furnished by others, or over Consultants', subcontractors', or vendors' methods of determining prices, or over competitive bidding or market conditions, Consultant's cost estimates shall be made on the basis of qualification and experience in professional engineering.

Since Consultant has no control over the resources provided by others to meet contract schedules, Consultant's forecast schedules for completion of Services shall be established based on generally acceptable schedules for and performance standards of similarly situated professional engineers qualified and experienced to perform the Services. Consultant cannot and does not guarantee that proposals, bids or actual project costs will not vary from its cost estimates or that actual schedules will not vary from its forecast schedules.

#### ARTICLE 8 - INDEPENDENT CONTRACTOR

Consultant undertakes performance of the Services as an independent contractor and shall be wholly responsible for the methods of performance. County shall have no right to supervise the methods used by Consultant. County shall have the right to observe such performance. Consultant shall work closely with County in performing Services under this Agreement.

#### ARTICLE 9 - PERMITS AND LICENSES

Consultant shall procure the permits, certificates, and licenses necessary to allow Consultant to perform the Services. Consultant shall not be responsible for procuring permits, certificates, and licenses required for any construction unless such responsibilities are specifically assigned to Consultant in Exhibit A, Scope of Services.

#### ARTICLE 10 - COUNTY'S RESPONSIBILITY

County shall provide any information authorized by law in its possession that is requested by Consultant and is necessary to complete the Project. County shall assist Consultant in obtaining access to public and private lands so Consultant can perform the Services. County shall examine all studies, reports, sketches, estimates, specifications, drawings, proposals, and other documents presented by Consultant and shall render decisions pertaining thereto within a reasonable time so as not to delay the work of Consultant.

#### ARTICLE 11 - REUSE OF DOCUMENTS

All documents, including computer files, drawings, specifications, and computer software, prepared by Consultant pursuant to this Agreement are instruments of service in respect to the Project. They are not intended or represented to be suitable for reuse by County or others on extensions of the Project or on any other project. Any reuse without written verification or adaptation by Consultant for the specific purpose intended will be at County's sole risk and without liability or legal exposure to Consultant; and County shall indemnify and hold harmless Consultant against all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting from such reuse. Any such verification or adaptation will entitle Consultant to further compensation at rates to be agreed upon by County and Consultant.

Copies of all documents, including reports, computer files, drawings, specifications, and computer software, prepared by Consultant pursuant to this agreement will be provided to the County in electronic format accompanied by the appropriate documentation necessary to catalog them in the context of this project.

When transferring data in electronic media format, Consultant makes no representation as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by Consultant at the beginning of the Project.

Because the data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 60-day acceptance period will be corrected by the party delivering the electronic files. Consultant shall not be responsible to maintain

documents stored in electronic media format after acceptance by County. The original hard copy of the documents containing the professional engineer's seal shall take precedence over the electronic documents.

#### ARTICLE 12 - TERMINATION OR EXTENSION OF CONTRACT

Either Party may terminate this Agreement by written notice to the other Party if the other Party is in material breach or default of any provision of this Agreement and does not remedy such breach or default, or provide satisfactory evidence that such default will be expeditiously remedied, within thirty (30) days after being given such notice. In the event of such termination, County shall pay Consultant for all Services satisfactorily performed to the date of termination. If the termination is due to the default of the County, the County shall also pay Consultant for reasonable termination expenses.

County, in its sole discretion, shall have the right to terminate this Agreement or suspend performance thereof for County's convenience upon written notice to Consultant, and Consultant shall terminate or suspend performance of services within thirty (30) days on a schedule acceptable to County. In the event of termination or suspension for County's convenience, County shall pay Consultant for all Services performed in accordance with the terms of this Agreement, and reasonable termination or suspension expenses, less any set-offs which County may have due to Consultant's negligence, nonperformance or breach of this Agreement. Upon restart of a suspended project, equitable adjustment shall be made to Consultant's compensation.

#### ARTICLE 13 - NONDISCLOSURE OF PROPRIETARY INFORMATION

Consultant shall consider all information provided by County to be proprietary unless such information is available from public sources, was known to Consultant prior to the execution of this Agreement, was received by Consultant from a third-party source not under any obligation of confidentiality to the County, or is required by law or ordered to be disclosed in a regulatory or judicial proceeding. Consultant shall not publish or disclose proprietary information for any purpose other than the performance of the Services without the prior written authorization of County or in response to legal process or as required by the regulations of public entities.

#### ARTICLE 14 - NOTICE

Any notice, demand, or request required by or made pursuant to this Agreement shall be deemed properly made if personally delivered in writing or deposited in the United States mail, postage prepaid, to the address specified below.

To Consultant:  
Andy Solberg, Vice President  
CH2M HILL Engineers Inc.  
50 West Liberty Street, Suite 205  
Reno, NV 89501

To County:  
Dave Solaro, Director  
Washoe County Community Services Department--Water Resources  
4930 Energy Way  
Reno, NV 89502

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of Consultant and County.

#### ARTICLE 15 - UNCONTROLLABLE FORCES

Neither County nor Consultant shall be considered to be in default of this Agreement if delays in or failure of performance shall be due to uncontrollable forces the effect of which, by the exercise of reasonable diligence, the non-performing party could not avoid and is not reasonably foreseeable at the time of entering into this Agreement. The term "uncontrollable forces" shall mean any event which results in the prevention or delay of performance by a party of its obligations under this Agreement and which is beyond the control of the non-performing party. It includes, but is not limited to, fire, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations from any state, local, or federal agency or person for any of the supplies, materials, accesses, or services required to be provided by either County or Consultant under this Agreement, strikes, work slowdowns or other labor disturbances, and judicial restraint. Consultant shall be paid for services performed prior to the delay plus related costs incurred attributable to the delay.

Neither Party shall, however, be excused from performance if nonperformance is due to uncontrollable forces which are removable or remediable nor which the non-performing Party could have, with reasonable dispatch removed or remedied. The provisions of this Article shall not be interpreted or construed to require Consultant or County to prevent, settle, or otherwise avoid a strike, work slowdown, or other labor action. The non-performing Party shall upon being prevented or delayed from performance by an uncontrollable force, immediately give written notice to the other Party describing the circumstances and uncontrollable forces preventing continued performance of the obligations of this Agreement.

#### ARTICLE 16 - GOVERNING LAW

This Agreement shall be governed by the laws of the State of Nevada.

#### ARTICLE 17 - MISCELLANEOUS

##### 17.1 Nonwaiver

A waiver by either County or Consultant of any breach of this Agreement shall not be binding upon the waiving Party unless such waiver is in writing. In the event of a written waiver, such a waiver shall not affect the waiving party's rights with respect to any other or further breach.

##### 17.2 Severability

The invalidity, illegality, or unenforceability of any provision of this Agreement, or the occurrence of any event rendering any portion or provision of this Agreement void, shall in no way affect the validity or enforceability of any other portion or provision of the Agreement. Any void provision shall be deemed severed from the Agreement and the balance of the Agreement shall be construed and enforced as if the Agreement did not contain the particular portion or provision held to be void. The Parties further agree to

reform the Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision.

#### ARTICLE 18 - INTEGRATION AND MODIFICATION

This Agreement represents the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by each of the Parties. Unless otherwise specified in writing, if there is any inconsistency between the terms of this Agreement and any other agreement between the Parties, the terms of this Agreement shall control.

#### ARTICLE 19 - SUCCESSORS AND ASSIGNS

County and Consultant each binds itself and its directors, officers, partners, successors, executors, administrators, assigns and legal representatives to the other party to this Agreement and to the partners, successors, executors, administrators, assigns, and legal representatives of such other party, in respect to all covenants, agreements, and obligations of this Agreement.

#### ARTICLE 20 - ASSIGNMENT

Neither County nor Consultant shall assign, sublet, or transfer any rights under or interest in (including, but without limitation, monies that may become due or monies that are due) this Agreement without the written consent of the other, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent consultants, associates, and subcontractors, as he may deem appropriate to assist him in the performance of the Services hereunder.

#### ARTICLE 21 - THIRD PARTY RIGHTS

Nothing herein shall be construed to give any rights or benefits to anyone other than County and Consultant.

#### ARTICLE 22 – INDEMNIFICATION AND INSURANCE

Washoe County has established specific indemnification and insurance requirements for agreements/contracts with consultants, engineers, and architects to help assure that reasonable insurance coverage is maintained. Indemnification and hold harmless clauses are intended to assure that consultants accept and are able to pay for the loss or liability related to their activities. Exhibit C, Pages 1-4, is included by reference. All conditions and requirements identified in this exhibit shall be completed prior to the commencement of any work under this Agreement, and shall be in accordance with the laws of the State of Nevada.

IN WITNESS WHEREOF, the parties have executed this Agreement.

**WASHOE COUNTY**

\_\_\_\_\_  
Chairman  
Board of County Commissioners

ATTEST:

\_\_\_\_\_  
Washoe County Clerk

CONSULTANT:

Dated this \_\_\_ day of \_\_\_\_\_, 2015

By \_\_\_\_\_  
Andy Solberg, Vice President  
CH2M HILL Engineers, Inc.

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*EXHIBIT A*

**Scope of Work for the  
South Truckee Meadows Water  
Reclamation Facility  
Biosolids Facilities Project  
Services During Construction**

Prepared for  
**Washoe County**  
**Department of Water Resources**

November 2014

**CH2MHILL.**  
50 West Liberty, Suite 205  
Reno, NV 89501

# **Exhibit A: Scope of Work for the South Truckee Meadows Water Reclamation Facility Biosolids Facilities Project - Services During Construction**

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This exhibit is to the Agreement, between CH2M HILL ENGINEERS, Inc. (Consultant), and Washoe County Department of Water Resources (County), for engineering and consulting services related to the repair and replacement of facilities at the South Truckee Meadows Water Reclamation Facility (STMWRF, Plant). The official name for the project will be the STMWRF Biosolids Facilities Project Services During Construction, hereinafter referred to as the "Project."

## **Introduction**

Washoe County Department of Water Resources manages wastewater treatment facilities that serve approximately 16,000 sewer accounts in the South Truckee Meadows, East Lemmon Valley, and Cold Springs Valley areas. The County also manages a reclaimed water operation associated with the South Truckee Meadows Water Reclamation Facility. Reclaimed water accounts have grown steadily during the early 2000s, with over 280 customer accounts using approximately 2,423 acre-feet of reclaimed water.

The South Truckee Meadows Water Reclamation Facility is located within southern Washoe County, Nevada. The facility is presently configured to treat up to 4.1 million gallons per day (mgd) on a peak month flow basis. Current tertiary treatment capacity is 6 mgd. Although STMWRF's peak month flow capacity is 4.1 mgd, a number of unit processes and facilities require improvements to address maintenance and firm capacity issues at the Plant. Expansion of the STMWRF beyond its current capacity is no longer deemed to be time-critical based on the lack of growth over the past few years; therefore expansion of the STMWRF beyond the permitted 4.1 mgd will not be addressed at this time.

STMWRF currently conveys all waste activated solids (WAS) to the Truckee Meadows Water Reclamation Facility (TMWRF) for stabilization and ultimate disposal. Increasing costs associated with treatment processes at TMWRF has made onsite solids dewatering at STMWRF a feasible economic alternative. Regional water managers have also identified non-economic benefits from discontinuing the practice of sending WAS from STMWRF to TMWRF. CH2M HILL designed Biosolids Treatment and Dewatering Facilities for STMWRF. This exhibit presents Consultant's scope of work, preliminary schedule, and budget for the Biosolids Facilities Project Services During Construction, to include the following services:

- On-site inspection (part time) during the construction of the Biosolids Facilities Project
- Office engineering services to support the construction of the Biosolids Facilities Project
- Supervisory Control and Data Acquisition (SCADA) Application software programming and on-site installation and testing of modifications to provide control and monitoring of the new Biosolids Facilities

# Consultant's Scope of Work

## Task 1 - Project Management

Consultant will initiate and manage all project activities, schedule, and plan work to assure that activities are completed in a properly integrated and timely manner. Project management activities will include the following:

- Progress Monitoring – Monitor budget, work progress, and schedule for each Task. Monitor work efforts and evaluate actual versus planned progress. Supervise the Consultant's project team and identify actions needed to maintain the project schedule. Manage scope changes, and take action to resolve impacts on budgets as soon as scope changes have been identified.
- Coordination and Staff Management – Coordinate and schedule appropriate staffing to meet project requirements of each Task. Supervise activities of assigned Consultant staff, to help ensure that the authorized work is completed on schedule and within budget.
- Administration – Maintain project records, manage and process project communications, subcontracts, and coordinate project administrative matters for each Task.
- Meeting Preparation – Arrange for site visits and monthly project update meetings with County's project team. Prepare and distribute agenda and meeting notes.

## Health and Safety

Consultant will manage the health, safety, and environmental activities of its staff and the staff of its subconsultants to achieve compliance with applicable health and safety laws and regulations. Consultant will coordinate its health, safety, and environmental program with the responsibilities for health, safety, and environmental compliance specified in the construction contract documents. Consultant will provide project specific Field Safety Instructions for use by team members when performing field work on the Project site. Consultant will review health and safety plans of subconsultants prior to executing subcontract agreements.

## Progress Meetings

Consultant will facilitate Quarterly Progress Meetings and a monthly call to keep County apprised of progress, review pertinent issues, and obtain direction from the County. Meetings will be held at the County's office, concurrent with other planned workshops and field activities to the extent feasible. At a minimum, meetings will be attended by one member of Consultant's project team. Each meeting is expected to include the following:

- Action Log Update, including outstanding and upcoming project issues. Items requiring decisions will be discussed, and any decisions entered into the decision log.
- Project Schedule Update, including tasks completed to date and projected completion of tasks.

In addition to the progress meetings, conference calls will be held periodically to supplement the Monthly Progress Meetings. Conference calls will typically be one hour in duration. These conference calls will be informal and will not have specific agendas or meeting notes produced.

## **Monthly Reporting**

Consultant will prepare a Monthly Progress Report. The monthly progress report will include at a minimum, the following:

- Progress within the last month, by task and subtask
- Problems encountered or anticipated
- Items scheduled for work in the next month.

## **Deliverables**

- Field Safety Instructions
- Project meeting agendas and meeting notes
- Monthly project schedule updates
- Monthly project progress reports and Action Log updates
- Monthly project billings showing labor hours by staff member and by task
- Compiled set of project management documentation (meeting notes, decision logs, etc.) prior to project close-out

## **Task 2 – Construction Management**

Consultant will provide services to assist in coordinating the site activities and administering the construction contract, monitor the Contractor's performance, inspect the Contractor's work, and review and respond to design and technical submittals. Consultant will provide a Construction Manager who will be on-site part time to perform periodic inspections and coordinate the activities included in this Task.

### **Construction Contract Administration**

**Project Milestone Schedule:** Consultant's Construction Manager (CM) will manage the project activities described herein for the construction contract for the Biosolids Facilities Project. The CM will review and comment on the Contractor's Schedule with focus on all necessary milestones, and other aspects of the work, for the Biosolids Facilities Project. The Contractor's Schedule will incorporate the construction contract-specified Work Breakdown Structure (WBS), and be in the Critical Path Method (CPM) schedule network.

**Payments to Contractor:** Consultant's CM will receive and verify Contractor's weekly payroll is in conformance with the Construction Contract provisions. Consultant's CM will receive and review the Contractor's monthly Progress Payment Estimate (PPE). Each PPE shall be organized to reflect the approved Schedule of Values provided by the Contractor. Consultant's CM will determine whether the amount requested reflects the progress of the Contractor's work and is in accordance with the contract documents, and will provide recommendations to the County as to the acceptability of the requests.

Recommendations by Consultant's CM to the County for payment will be based on Consultant's CM's inspection of the work and selected sampling to determine that the work has progressed to the extent indicated.

**Correspondence and Communications:** Consultant's CM will implement and maintain regular communications with the Contractor, Consultant, and County during construction. Consultant will receive and log communications from the Contractor and coordinate

communications between the County and the Contractor. Consultant's CM will prepare written communications to the Contractor and provide recommendations to the County for written communications between the County and the Contractor. Consultant's CM will also coordinate with STMWRF Operations personnel prior to process shutdowns or taking existing units out of service.

**Preconstruction Conference:** Consultant's CM, in collaboration with the County, will coordinate and attend Preconstruction Conference with the Contractor for the Biosolids Facilities Project. The purpose of the conference is to review Project communication, coordination, and other procedures; discuss the requirements of contract documents, plans, and specifications; and examine the Contractor's construction schedule. Consultant's CM will record and distribute meeting minutes for this conference.

**Project Site Meetings:** Consultant's CM will conduct Weekly Progress Meetings with the Contractor, provide an agenda, and distribute copies of the agenda.

**Construction Contract Clarification/Interpretation Requests (CCIR's):** Consultant's CM, in conjunction with the County, will issue field instructions, interpretations, clarifications, or similar documents during construction as outlined in the contract documents.

**Design Team Visits:** The CM will coordinate periodic visits to the site by members of the design team to review the progress and quality of the work. The visits will be to observe the general quality of the work at the time of the visit and review any specific items of work that are brought to the attention of the design team members by the Contractor or the County.

**Claims and Disputes:** Consultant's CM will receive, log, and notify the County about all letters and notices from the Contractor concerning claims or disputes between the Contractor and County pertaining to the acceptability of the work or the interpretation of the requirements of the contract documents. Consultant's CM will review all letters and notices and discuss them with the Contractor as necessary to understand each claim or dispute. Consultant's CM will advise the County regarding the Contractor's compliance with the contract requirements for claims and disputes. Consultant's CM will assist the County in discussions with the Contractor to resolve claims and disputes.

**Contractor's Schedule Updates:** Consultant's CM will review the Contractor's monthly schedule updates and other schedule submittals. Consultant's CM will advise the Contractor if the updates or other submittals are not in accordance with the contract documents, and will provide comments to the County regarding schedule submittals.

**Monthly Reports:** Consultant's CM will provide a Monthly Report to the County regarding the status of the construction schedule, date of completion, contract price, retention, pending changes to the contract price or completion date, and other outstanding issues related to the Project.

**Warranties, Guarantees, and Lien Releases:** Consultant's CM will coordinate with the Contractor to submit required warranties, guarantees, lien releases, and other similar documents as required by the contract documents, and will advise the County as to the acceptability and compliance of these documents with the contract documents.

## **Construction Contract Changes**

**Minor Variations in the Work (Field Order):** In coordination with the County, Consultant and/or Consultant's CM may authorize minor variations in the work that do not involve an adjustment in the Contractor's contract price or working days and are consistent with the intent of the contract documents. This may be accomplished by Field Order.

**Coordinate Issuance of Change Proposal Requests (CPRs) and Contract Change Orders (CCOs):** Consultant's CM will coordinate the issuance of CPRs and CCOs. It is understood that a CPR may change the Contract Price or Time, but is evidence that the parties expect a CCO to be subsequently issued reflecting a contract change.

Consultant's CM will receive and review Contractor proposals to complete the County's request for change, and will obtain such further information as necessary to evaluate the basis for the Contractor's proposal. Consultant's CM will assist the County with negotiations of the proposal.

Consultant's CM may prepare some CPRs and CCOs that are easily completed in the field. Other CPRs and CCOs will be prepared under Task 3 - Engineering Services During Construction.

**Review of Contractor's Requested Changes:** Consultant's CM will review the Contractor's requested changes to the contract documents. Consultant's CM will coordinate with the design office and make recommendations to the County regarding the acceptability of the Contractor's request and, upon approval of the County, assist the County in negotiations regarding the requested change.

**Effect of Change Orders:** Consultant's CM will review information submitted by the Contractor regarding the effect of proposed or issued change orders on the construction schedule, working days, milestones, and completion date. Consultant's CM will advise the County of the potential impact of proposed change orders, and will include the impacts of issued change orders in future schedule updates. Consultant's CM will assist the County in discussions with the Contractor concerning the potential impact of proposed or issued change orders.

**Contract Change Order Weekly Updates:** Consultant's CM will provide an update to the County within the Weekly Progress Meeting Agenda and notes, with Contractor status notations, regarding the status of CPRs and CCOs. The report will include issued and pending CPRs and CCOs and the amounts, and will be submitted weekly. The CPR and CCO report will also be a part of the Construction Manager's Monthly Report and submitted with the Monthly Invoice.

## **CM Inspections**

**CM Field Office:** Consultant staff will occupy the field office provided by the Contractor.

**CM Staff:** The overall construction schedule for the Biosolids Facilities Project is anticipated to be from February 2015 through October 2016 (21 months). CM staff will consist of a Construction Manager, planned to be on-site an average of thirty-two (32) hours per week during the peak construction period assumed to be 13 months (56 weeks), for the remaining construction period (35 weeks) it is estimated the CM will be on-site an average of eighteen

(18) hours per week. Consultant will also provide a part time project assistant (budgeted at 20 hours per week for 6 months and 10 hours per week for the remaining time) during the construction period.

**Safety:** Consultant will coordinate with responsible parties to correct conditions that do not meet applicable federal, state, and local occupational safety and health laws and regulations when such conditions expose Consultant staff or staff of Consultant subconsultants to unsafe conditions. Consultant will notify affected personnel of any site conditions posing an imminent danger to them that Consultant observes. Consultant is not responsible for the health or safety precautions of County or Contractor staff. Consultant is not responsible for the Contractor's compliance with the health and safety requirements of the contract documents or with federal, state, and local occupational health and safety laws and regulations.

**Review of Work:** Consultant and/or County staff will conduct periodic onsite inspections of the Contractor's work to determine if the work generally conforms to the contract documents and that the integrity of the design concept as reflected in the contract documents has been implemented and preserved by the Contractor. Consultant will prepare written reports or other records of inspections, as required.

**Vendor Operation and Maintenance Manuals and Training:** Consultant will coordinate with the Contractor to submit specified Operations and Maintenance (O & M) Manuals provided by equipment suppliers for operation and maintenance and for training of the County staff by the Contractor.

**Substantial Completion:** Consultant will assist the County in issuing documents for Substantial Completion and acceptance of the work. Consultant will perform a site inspection with the Contractor and County to determine whether all facilities are ready for their intended use and operation. Once warranted, Consultant will provide, in writing, a Notice of Substantial Completion. Consultant will generate a punch list of items requiring completion or correction.

**Final Completion:** Consultant will receive and review the Contractor's request for Notice of Final Completion, and will perform a final site inspection with the Contractor and County to determine whether punch list items have been resolved by the Contractor and that the Contractor's work is in accordance with the contract documents.

**Closeout File and Records:** Consultant will provide to the County an organized set of Construction Project documents and records.

### **QA/QC Construction Testing**

**Independent Services:** Consultant will employ and manage independent firms retained for construction material testing or other services related to verifying the quality of the Contractor's work. Consultant will review the reports and other information prepared by the independent firms, and will assist in coordinating their schedules and reports, findings, or other information with the Contractor and the County.

**Regulatory and Third-party Testing and Inspections:** Consultant will monitor the Contractor's coordination of inspection and testing by regulatory and third-party agencies that have jurisdiction over the Project.

**Subsurface and Physical Conditions:** When the Contractor notifies Consultant or County of subsurface or physical conditions at the site that differ from those provided in the contract documents, Consultant will advise the County and inspect the conditions at the site. Consultant will advise the County as to the appropriate action(s), and will assist the County in responding to the Contractor.

Engineering and technical services that are required to investigate the subsurface or physical conditions shall be considered to be additional services.

## **Field Inspections**

**Special Inspection and Testing Requirements, and Structural Observation Agreement:** Consultant will prepare the Washoe County Special Inspection and Testing Agreement (SITA) document covering construction of the Project, but will not provide Materials Testing services for the Project. Consultant will use the SITA document to contract with a qualified 3rd party to provide the Building Code required Materials Testing services (assumed budget of \$50,000) for the Project. Consultant's CM will perform Special Inspections required for the Project and will coordinate acquisition of supporting documentation, obtain necessary signatures, and transmit the executed SITA to the Washoe County Department of Building and Safety.

Consultant will prepare and execute the Washoe County Structural Observation Agreement (SOA) for the Project, and provide the required Structural Professional Observation services during the site visits described below. Consultant will sign the SOA and transmit it to the Washoe County Department of Building and Safety. Special Inspections anticipated for the construction project are:

- Concrete
- Bolts installed in concrete
- Reinforcing steel

**Engineer Site Visits:** Consultant will perform visits to the site by design team technical specialists to review progress and quality of the work. The visits will observe the general quality of the work at the time of the visit and review any specific items of work that are brought to the attention of the design team members by the County. A total of thirty 1-day site visits are anticipated.

## **Deliverables**

- Minutes of Preconstruction Conference
- Agenda for Weekly Site Progress Meetings with County and Contractor
- Monthly Progress Report
- CPR and CCO Log updates
- Monthly Contractor's PPE
- Notices of deficient or non-conforming work
- Notice of Substantial Completion

- Project Construction Records
- SITA document and Materials Testing documentation
- Engineering Site Inspection trip reports

### **Task 3 – Engineering Services During Construction**

#### **Office Services**

Consultant will establish a system and procedures for managing, tracking, and storing relevant documents that are produced during the construction and closeout phases of the Project. Consultant will use an appropriate, standard of the industry, computer-based document management system. Consultant will, in coordination with the County, maintain suitably organized hardcopy records of relevant documentation.

**Conformed Construction Drawings:** Consultant will revise the bid set drawings to reflect changes resulting from Agency review and bid addenda into the final Conformed Documents for the Project. Consultant will provide County with the following final deliverables:

- Ten hard copy sets of the Conformed Documents, including technical specifications, standard details (8 ½-inch by 11-inch), and signed and stamped half-size construction drawings (11-inch by 17-inch)
- Three sets of signed and stamped full-size construction drawings (22-inch by 34-inch)
- One CD containing technical specifications, standard details, and drawings in Adobe Acrobat .pdf and AutoCAD.dwg file formats

**Shop Drawings, Samples, and Submittals:** Consultant will coordinate with the design team for the review of the Contractor’s shop drawings, samples, and other submittals, and will track all shop drawings, samples, and submittals. Consultant and design team’s review of shop drawings, samples, and submittals shall be for general conformance with the design concept and general compliance with the requirements of the contract documents. Budget for this subtask is based on review of a total of 220 submittals (140 original submittals and 80 resubmittals) at five hours for an engineer and 2 hours administrative support for each original submittal and four hours for an engineer and 1 hour administrative support for each resubmittal.

**Requests for Information (RFI’s):** Consultant will review the Contractor’s RFI’s, coordinate review with the design team and the County as appropriate and coordinate and issue responses to the requests. Consultant will log and track the Contractor’s requests. Budget for this subtask is based on review of a total of 80 RFI’s at five hours for an engineer and 2 hours administrative support each.

**Proposed Substitutions:** Consultant will review Contractor requests for substitution of materials and equipment and advise the County as to the acceptability of such substitutions. Budget for this subtask is based on 5 requests each at five hours for an engineer and 2 hours administrative support each.

**Work Change Requests:** Consultant will review Contractor requested changes to the construction documents. Upon agreement and approval, Consultant will prepare final

Contract Change Order (CCO) documents. Budget for this subtask is based on 25 requests each at an average of 8 hours for an engineer and two hours administrative support.

**Assist in preparation of Change Proposal Requests (CPRs):** Consultant will assist with the issuance of up to five (5) CPRs. Design and engineering services to prepare drawings, specifications, and other information for the change may be considered to be additional services depending upon the extent of the engineering and drawing development. Upon approval by the County, Consultant will prepare final CCO documents for execution by the County and Contractor. Budget for this subtask is based on five requests each at an average of eight hours for an engineer, 4 hours for a technician, and two hours administrative support.

**Record Drawings:** Consultant will revise the conformed design drawings to reflect available record information provided by the Construction Contractor, and will coordinate with the Design Team for the production of Record Drawings. One digital set of contract documents on CD in AutoCAD format along with TIF files and half-size and full-size PDFs, will be submitted to the County.

#### **Task 4 – SCADA System Modifications and Startup Support**

Consultant will develop SCADA screens and application software programming for the central control and monitoring of the new biosolids facilities. Services provided will include the following:

- Control Strategies review with DWR and STMWRF operations staff
- Application software development
- Applications software O&M manual updates
- On-site installation and testing of new HMI and PLC programs
- Training of DWR and STMWRF operations staff covering the control and monitoring of the new facilities

#### **Task 5 – Additional Services**

County may request that Consultant provide additional services not previously identified in this scope of work. A budget of \$25,000 has been allocated to this task.

The services described below are not included in Tasks 1 through 4 of this Agreement, but can be performed if requested and approved by County and Consultant as budget permits. Time, scope, and fee have not been budgeted for these tasks.

Miscellaneous services under this task shall be performed on an on-call basis. Upon request, Consultant and County shall identify and negotiate specific tasks, including the associated level-of-effort, deliverable products, and budget. Consultant is not authorized to expend Task 5 funds until directed by the County.

### **Future Services**

An amendment or separate Agreement will be required for any work exceeding the budget allocated to this scope of services. Services not allocated to this scope of work and fee

schedule, and anticipated to occur at the conclusion of this project phase, will be negotiated under a separate contract.

Examples of future services are as follows:

- Coordination with and submissions to the Washoe County Building Department
- Bid Services for the Electrical Improvements Projects
- Value Engineering or similar value analysis studies
- Development, coordination, or participation in partnering program
- Services related to training of County or Plant operations personnel
- Additional startup or operational support
- Electrical System Improvements
- Biosolids Facilities Operations Manual and Startup Support
- Other services mutually agreeable to the County and Consultant.

## County Responsibilities

The services described below are assumed to be provided by County:

- Provide on-site resident engineering support beyond that provided by Consultant as described herein.
- Furnish copies of drawings and other pertinent information related to Tasks included herein.
- Coordinate input/review from any stakeholders beyond the County's core project team.
- Prepare/file applications and pay fees for permits and licenses required by local, state, and federal authorities.

## Schedule

A preliminary milestone schedule for this Task is as follows:

Milestone	Target Start	Target Finish
Task 2 - Construction Management for Biosolids Project	1/15/15	8/31/16
Task 3 - Engineering Services During Construction for 2012 Project	1/15/15	10/15/16
Task 4 - SCADA System Modifications for Biosolids Facilities	9/1/15	8/31/16

All work under this Agreement is expected to be completed by October 15, 2016. If the work is delayed beyond the reasonable control of Consultant, Consultant reserves the right to request a scope and fee modification for additional administrative and support time.

## Compensation

Compensation for services described herein will be on a time and expense basis using the billing rates specified in Exhibit B. The amount invoiced each month will be based on actual hours of labor and expenses expended. Each invoice will include a project summary and a listing of the charges applicable to each of the 5 Tasks noted herein. For services enumerated in Tasks 1 through 5, the total estimated fee is \$1,156,000. This total fee will not be exceeded without prior authorization from the County. A breakdown of the estimated fee is summarized in Table 1. County understands and agrees that individual tasks may be completed either under or over budget and that Consultant can reallocate budgets within and across tasks provided the total authorized estimated fee is not exceeded.

Consultant has no control over the actual schedule, duration, or character of the work conducted by construction contractors and/or other consultants, or over the specific quantities of work that will actually be required for tasks interfacing and involving actions with contractors and/or other consultants. Consultant has made a good faith effort to estimate the quantity of work required for tasks interfacing and involving actions with contractors and/or other consultants, but given the lack of control and uncertainty associated with the work, Consultant will conduct such work only to the extent that the work can be completed in accordance with the limitations described herein and within the limits of the authorized budget.

Deviations from the anticipated schedule and duration of the work, from the character of the work, or from the anticipated quantity of work may materially affect the schedule and level of effort required to perform the services included in this scope of work. To the extent that the Work cannot be completed by Consultant within the schedule and/or budget established for the work, said schedule and budget will require an equitable adjustment to complete the work that appropriately accounts for impacts on the schedule and/or budget that were outside the reasonable control of Consultant.

**TABLE 1**  
Fee Estimate Summary

<b>Task</b>	<b>Description</b>	<b>Estimated Fee (\$)</b>
1	Project Management	105,000
2	Construction Management for Biosolids Facilities Project	560,000
3	Engineering Services During Construction for Biosolids Facilities Project	381,000
4	SCADA System Modifications and Startup Support	85,000
7	Additional Engineering Services	25,000
<b>Total</b>		<b>1,156,000</b>

## Exhibit B

**2015 CH2M HILL Per Diem Rate Schedule  
for  
South Truckee Meadows Water Reclamation Facility  
Biosolids Facilities Project Services During Construction  
Hourly Billing Rates**

<u>Classification</u>	<u>2015 Rate</u>
<b>Principal Technologist*/Principal Project Manager</b>	<b>\$227</b>
<b>Sr. Technologist*/Sr. Project Manager</b>	<b>\$209</b>
<b>Engineer Specialist*/Project Manager</b>	<b>\$189</b>
<b>Project Engineer*</b>	<b>\$169</b>
<b>Associate Engineer*</b>	<b>\$149</b>
<b>Staff Engineer 2*</b>	<b>\$129</b>
<b>Staff Engineer 1*</b>	<b>\$110</b>
<b>Construction Manager (Dave Michaut)</b>	<b>\$123</b>
<b>Engineering/Environmental Tech 5</b>	<b>\$139</b>
<b>Engineering/Environmental Tech 4</b>	<b>\$122</b>
<b>Engineering/Environmental Tech 3</b>	<b>\$105</b>
<b>Engineering/Environmental Tech 2</b>	<b>\$92</b>
<b>Engineering/Environmental Tech 1</b>	<b>\$79</b>
<b>Office/Clerical/Accounting</b>	<b>\$74</b>

\* includes engineering, consulting, planner, and scientist disciplines

**Notes:**

1. Direct Expenses are those necessary costs and charges incurred for the PROJECT including, but not limited to: (1) the direct costs of transportation, meals and lodging, mail, subcontracts, and outside services; special client-approved PROJECT-specific insurance, letters of credit, bonds, and equipment and supplies; (2) Consultant's charges for direct use of Consultant's vehicles, computing systems, laboratory test and analysis, word processing, printing and reproduction services, and certain field equipment; and (3) Consultant's project charges for special health and safety requirements of Occupational Safety and Health Administration (OSHA) services.
2. Consultant's rates for the following direct expenses shall be: Computer charges of \$6.00 will be applied to all labor hours for office staff. A Health & Safety charge of \$1.75 will be applied to all labor hours of employees who are currently enrolled in the CH2M HILL Comprehensive Health & Safety Program. These rates are subject to change for work performed beyond 2015.
3. A markup of 10% will be applied to all other Direct Costs and Expenses.
4. An additional premium of 25% will be added to the above rates for Expert Witness and Testimonial Services.
5. Rates are applicable for work performed through December 31, 2015. Rate increases will go into effect for work performed beyond 2015.

**Exhibit C****INSURANCE, HOLD HARMLESS AND INDEMNIFICATION REQUIREMENTS FOR  
CONSULTANT PROFESSIONAL SERVICE AGREEMENTS****INDEMNIFICATION**CONSULTANT Liability

As respects acts, errors or omissions in the performance of professional services, CONSULTANT agrees to indemnify and hold harmless COUNTY, its officers, agents, employees, and volunteers from and against any and all claims, demands, defense costs, or liability to the extent caused by CONSULTANT'S negligent acts, errors or omissions in the performance of its professional services under the terms of this agreement.

CONSULTANT further agrees to defend COUNTY and assume costs, expenses and liabilities of any nature to which COUNTY may be subjected as a result of any claim, demand, action or cause of action to the extent arising out of the negligent acts, errors or omissions of CONSULTANT or its Sub-consultant in the performance of their professional services under the Agreement.

General Liability

As respects all acts or omissions which do not arise directly out of the performance of professional services, including but not limited to those acts or omissions normally covered by general and automobile liability insurance, CONSULTANT agrees to indemnify, defend (at COUNTY'S option), and hold harmless COUNTY, its officers, agents, employees, and volunteers from and against any and all claims, demands, defense costs, or liability arising out of any acts or omissions of CONSULTANT (or Sub-consultant, if any) while acting under the terms of this agreement; excepting those which arise out of the negligence of COUNTY.

In determining the nature of the claim against COUNTY, the incident underlying the claim shall determine the nature of the claim, notwithstanding the form of the allegations against COUNTY.

**GENERAL REQUIREMENTS**

COUNTY requires that CONSULTANT purchase Industrial Insurance (Workers' Compensation), General and Auto Liability, and CONSULTANT'S Errors and Omissions Liability Insurance as described below against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work here under by CONSULTANT, its agents, representatives, employees or Sub-consultants. The cost of all such insurance shall be borne by CONSULTANT.

**INDUSTRIAL INSURANCE**

It is understood and agreed that there shall be no Industrial Insurance coverage provided for CONSULTANT or any Sub-consultant by COUNTY. CONSULTANT agrees, as a precondition to the performance of any work under this Agreement and as a precondition to any obligation of the COUNTY to make any payment under this Agreement to provide COUNTY with a certificate issued by an insurer in accordance with NRS 616B.627 and NRS 617.210.

If CONSULTANT or Sub-consultant is a sole proprietor, coverage for the sole proprietor must be purchased and evidence of coverage must appear on the Certificate of Insurance. Such requirement may be waived for a sole proprietor who does not use the services of any employees, subcontractors, or independent contractors and completes an Affirmation of Compliance pursuant to NRS 616B627.

Should CONSULTANT be self-funded for Industrial insurance, CONSULTANT shall so notify COUNTY in writing prior to the signing of any agreement. COUNTY reserves the right to approve said retentions and may request additional documentation, financial or otherwise for review prior to the signing of any agreement.

### **MINIMUM LIMITS OF INSURANCE**

CONSULTANT shall maintain coverages and limits no less than:

1. General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, the general aggregate limit shall be increased to equal twice the required occurrence limit or revised to apply separately to this project or location.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage. No aggregate limit may apply.
3. CONSULTANT Errors and Omissions Liability: \$1,000,000.

### **DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and approved by the COUNTY Risk Management Division prior to the start of work under this Agreement. COUNTY reserves the right to request additional documentation, financial or otherwise prior to giving its approval of the deductibles and self-insured retention and prior to executing the underlying agreement. Any changes to the deductibles or self-insured retentions made during the term of this Agreement or during the term of any policy will be communicated to the COUNTY Risk Manager upon renewal of policies.

### **OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability Coverages
  - a. COUNTY, its officers, agents, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of CONSULTANT, including the insured's general supervision of CONSULTANT; products and completed operations of CONSULTANT; or premises owned, occupied or used by CONSULTANT. The coverage shall contain no special limitations on the scope of protection afforded to the additional insureds, nor shall the rights of the additional insured be affected by the insured's duties after an accident or loss.
  - b. CONSULTANT'S insurance coverage shall be primary insurance as respects COUNTY, its officers, agents, employees and volunteers. Any insurance or self-insurance maintained by COUNTY, its officers, agents, employees or volunteers shall be excess of CONSULTANT'S insurance and shall not contribute with it in any way.

- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to COUNTY, its officers, agents, employees or volunteers.
- d. CONSULTANT'S insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- e. CONSULTANT'S insurance coverage shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits below that specified herein except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to COUNTY except for nonpayment of premium.

#### **ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a Best's rating of no less than A-; VII. COUNTY with the approval of the Risk Manager may accept coverage with carriers having lower Best's ratings upon review of financial information concerning CONSULTANT and insurance carrier. COUNTY reserves the right to require that the CONSULTANT'S insurer be a licensed and admitted insurer in the State of Nevada, or on the Insurance Commissioner's approved but not admitted list.

#### **VERIFICATION OF COVERAGE**

CONSULTANT shall furnish COUNTY with certificates of insurance and with original endorsements affecting coverage required by this exhibit. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms approved by COUNTY. All certificates and endorsements are to be addressed to the specific COUNTY contracting department and be received and approved by COUNTY before work commences. COUNTY reserves the right to inspect the required insurance policies in conjunction with the CONSULTANT 's insurance department at its corporate headquarters at any time in order to verify compliance with these insurance requirements.

#### **SUB-CONSULTANTS**

CONSULTANT shall include all Sub-consultants as insureds under its policies or furnish separate certificates and endorsements for each Sub-consultant. Sub-consultant shall be subject to all of the requirements stated herein.

#### **MISCELLANEOUS CONDITIONS**

1. CONSULTANT shall be responsible for and remedy all damage or loss to any property, including property of COUNTY, caused in whole or in part by CONSULTANT, any Sub-consultant, or anyone employed, directed or supervised by CONSULTANT in accordance with the indemnification requirements stated above.
2. Nothing herein contained shall be construed as limiting in any way the extent to which CONSULTANT may be held responsible for payment of damages to persons or property resulting from its operations or the operations of any Sub-consultants under it.
3. In addition to any other remedies COUNTY may have if CONSULTANT fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, COUNTY may, at its sole option:

- a. Order CONSULTANT to stop work under this Agreement and/or withhold any payments which become due CONSULTANT here under until CONSULTANT demonstrates compliance with the requirements hereof;
- b. Terminate the Agreement.

CH2M Hill Engineers 090913